

**ORIGINAL**



0000061248

RECEIVED

39E

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

**BEFORE THE ARIZONA CORPORATION COMMISSION**

JEFF HATCH-MILLER  
Chairman  
WILLIAM MUNDELL  
Commissioner  
MARC SPITZER  
Commissioner  
MIKE GLEASON  
Commissioner  
KRISTIN K. MAYES  
Commissioner

Arizona Corporation Commission

AZ CORP COMMISSION  
DOCUMENT CONTROL

**DOCKETED**

SEP 01 2006

DOCKETED BY NCC

IN THE MATTER OF THE  
APPLICATION OF BLACK  
MOUNTAIN SEWER  
CORPORATION, AN ARIZONA  
CORPORATION, FOR A  
DETERMINATION OF THE FAIR  
VALUE OF ITS UTILITY PLANT  
AND PROPERTY AND FOR  
INCREASES IN ITS RATES AND  
CHARGES FOR UTILITY SERVICE  
BASED THEREON.

DOCKET NO: SW-02361A-05-0657

**NOTICE OF ERRATA**

On August 21, 2006 Black Mountain Sewer Corporation ("Black Mountain") filed its closing brief, with the final schedules of Thomas J. Bourassa attached as Brief Exhibit 1. Black Mountain hereby submits a more reader-friendly version of Final Schedule A-1, which is attached to this Notice of Errata as Exhibit A and should replace the Final Schedule A-1 that was filed on August 21, 2006.

DATED this 1<sup>st</sup> day of September, 2006.

FENNEMORE CRAIG, P.C.

By \_\_\_\_\_

Jay L. Shapiro  
Patrick Black  
3003 North Central Avenue, Suite 2600  
Phoenix, Arizona 85012  
Attorneys for Black Mountain Sewer Corporation.

1 ORIGINAL and thirteen (13) copies of the  
2 foregoing were delivered  
3 this 1st day of September, 2006, to:

3 Docket Control  
4 Arizona Corporation Commission  
5 1200 W. Washington St.  
6 Phoenix, AZ 85007

5 COPIES hand delivered this 1st  
6 day of September, 2006 to:

7 Dwight D. Nodes  
8 Administrative Law Judge  
9 Arizona Corporation Commission  
10 1200 W. Washington St.  
11 Phoenix, AZ 85007

10 Keith Layton  
11 Staff Counsel  
12 Legal Division  
13 Arizona Corporation Commission  
14 1200 W. Washington St.  
15 Phoenix, AZ 85007

13 Daniel Pozefsky, Esq.  
14 Residential Utility Consumer Office  
15 1110 W. Washington, Suite 220  
16 Phoenix, AZ 85007

16 And a copy mailed this 1st  
17 day of September, 2006 to:

17 Boulders Homeowners Association  
18 Robert E. Williams  
19 P. O. Box 2037  
20 Carefree, AZ 85377

20 M. M. Shirtzinger  
21 34773 N. Indian Camp Trail  
22 Scottsdale, AZ 85262

22 Thomas K. Chenal, Esq.  
23 David Garbarino, Esq.  
24 Mohr, Hackett, Pederson, Blakley & Randolph  
25 7047 E. Greenway Parkway, Suite 155  
26 Scottsdale, AZ 85254

25 By: Mario San Jose  
26 1831042.1/16040.031

# Exhibit A

**Black Mountain Sewer Company**  
 Test Year Ended December 31, 2004  
 Computation of Increase in Gross Revenue  
 Requirements As Adjusted

Exhibit  
**Final Schedule A-1**  
 Page 1  
 Witness: Bourassa

Line  
No.

1	Fair Value Rate Base	\$	1,568,502
2			
3	Adjusted Operating Income		11,595
4			
5	Current Rate of Return		0.74%
6			
7	Required Operating Income	\$	172,535
8			
9	Required Rate of Return on Fair Value Rate Base		11.00%
10			
11	Operating Income Deficiency	\$	160,940
12			
13	Gross Revenue Conversion Factor		1.5911
14			
15	Increase in Gross Revenue Requirement	\$	256,065
16			
17			
18	% Increase		21.24%
19			

20 <b>Customer</b>	<u>Present</u>	<u>Proposed</u>	<u>Dollar</u>	<u>Percent</u>
21 <b>Classification</b>	<u>Rates</u>	<u>Rates</u>	<u>Increase</u>	<u>Increase</u>
22 <b>(Residential Commercial, Irrigation)</b>				
23				
24 Residential	\$ 768,816	\$ 933,504	\$ 164,688	21.42%
25 Commercial (Standard Rate)	312,725	379,720	66,995	21.42%
26 Commercial (Special Rate)	81,967	99,528	17,561	21.43%
27 Effluent Sales	14,498	17,604	3,106	21.42%
28				
29 Annualization	17,328	21,040	3,712	21.42%
30 Book to Bill Count Difference	(4,066)	(4,066)	-	0.00%
31 ACC Assessment	(2,288)	(2,288)	-	0.00%
32 <b>Subtotal</b>	<u>\$ 1,188,980</u>	<u>\$ 1,445,043</u>	<u>\$ 256,063</u>	<u>21.54%</u>
33				
34 Other Wastewater Revenues	16,472	16,472	-	0.00%
35			-	0.00%
36			-	0.00%
37 <b>Total of Water Revenues</b>	<u>\$ 1,205,452</u>	<u>\$ 1,461,515</u>	<u>\$ 256,063</u>	<u>21.24%</u>

38  
 39 Book to Bill Count Difference

40  
 41  
 42  
 43  
 44 SUPPORTING SCHEDULES:  
 45 Final B-1  
 46 Final C-1  
 47 Final C-3  
 48 Final H-1  
 49